

EX PARTE OR LATE FILED

ORIGINAL
BELLSOUTH

BellSouth
Suite 900
1133-21st Street, N.W.
Washington, D.C. 20036-3351

ben.almond@bellsouth.com

Ben G. Almond
Vice President-
Federal Regulatory

202 463-4112
Fax 202 463-4198

July 13, 2000

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW, Room TW-A325
Washington, DC 20554

RECEIVED
JUL 13 2000
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: Ex Parte Presentation in WT Docket No. 99-217 and CC Docket No. 96-98

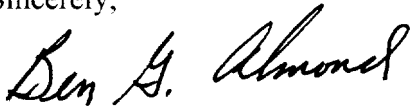
Dear Ms. Salas:

On July 12, 2000 Keith Milner and Ben Almond of BellSouth Corporation met with James Schlichting, Jeffrey Steinberg, Joel Tanbenblatt and Leon Jackler of the Wireless Telecommunications Bureau concerning issues related to the above-mentioned proceedings.

The attached documents were used for discussion purposes. Please associate this notification and accompanying materials with the referenced docket proceedings. Attached is the list of participants in the meeting.

If there are any questions concerning this matter, please contact the undersigned.

Sincerely,



Ben G. Almond
Vice President-Federal Regulatory

Attachments

cc: James Schlichting
Jeffrey Steinberg
Joel Tanbenblatt
Leon Jackler

No. of Copies rec'd 071
List A B C D E

July 12, 2000

BellSouth Ex Parte

**CC Docket No. 96-98
WT Docket No. 99-217**

AT&T ALLEGATION:

CERTAIN INCUMBENT LECS IMPEDE AT&T'S ABILITY TO SERVE CUSTOMERS IN MTEs

- **ILECs use ambiguity over who owns inside wire to delay or limit CLEC use of inside wire:**
 - **ILECs refuse to offer unbundled network elements because the ILEC claims no ownership or control;**
 - **building owners refuse to permit interconnection to inside wire because they don't "think" they own the wiring.**

(AT&T *Ex Parte* at 1 (Exhibit A))

- **Ambiguity over inside wire ownership can result in building owners' refusing to permit construction of AT&T's facilities even where ILECs deny ownership. (AT&T *Ex Parte* at 2)**

BELLSOUTH RESPONSE:

Inside Wire

- AT&T's continued misuse of the term "inside wire" generates unnecessary confusion and misunderstanding. As BellSouth has repeatedly demonstrated, "inside wire" has long been defined as wire on the customer's side of the demarcation point. See BellSouth Petition for Reconsideration/Clarification, CC Docket No. 96-98, at 1-4 (filed Feb. 17, 2000); BellSouth Reply, CC Docket No. 96-98, at 1-7 (filed Apr. 5, 2000).
- The Commission has explicitly concluded that, "[t]ogether with CPE, inside wiring constitutes all facilities located on the customer's side of the demarcation point required to transmit telecommunications services over a wireline network." *Review of Sections 68.104 and 68.213 of the Commission's Rules Concerning Connection of Simple Inside Wiring to the Telephone Network*, CC Docket No. 88-57, Order

BELLSOUTH RESPONSE: (continued...)

on Reconsideration, FCC 97-209, ¶ 1 (rel. June 17, 1997) (emphasis added); see also *Review of Sections 68.104 and 68.213 of the Commission's Rules Concerning Connection of Simple Inside Wiring to the Telephone Network*, CC Docket No. 88-57, *Third Report and Order*, FCC 99-405, ¶ 2 (rel. Jan. 10, 2000) ("The term "inside wiring" describes wiring installations located on the customer premises side of the demarcation point.").

- Inside wire is not controlled by the ILECs, was deregulated by the Commission, exists on the customer's side of the demarcation point, and, as such, cannot be considered a component of the ILECs' networks.
- AT&T is well aware that it, and any other competitor, has unfettered access to any "inside wire." BellSouth does not in any way restrict the use of "inside wire."

BELLSOUTH RESPONSE: (continued...)

Diagram of Access to Multi-Story, Multi-Tenant Building

- AT&T makes repeated allegations against “Certain Incumbent LECs,” without specificity, except for the last page of its presentation, wherein AT&T uses a purposely modified version of a diagram previously used by BellSouth in state and federal forums. *Compare* Exhibit A (AT&T *Ex Parte*) and Exhibit B (BellSouth *Ex Parte*, Letter from Kathleen B. Levitz, Vice President – Federal Regulatory, to Magalie Roman Salas, Secretary, FCC, CC Docket No. 96-98 (filed May 15, 2000)).
- AT&T modified BellSouth’s diagram by re-labeling the Intrabuilding Network Cable (“INC” or riser cable) as “first” and “second” pairs of inside wire. This mislabeling is an attempt to mislead the Commission into believing that BellSouth restricts access to INC and Network Terminating Wire (“NTW”) pairs. BellSouth unbundles both the INC and NTW and offers CLECs access to these sub-loop elements. See Exhibit C (BellSouth Telecommunications, Inc., Direct Testimony of W. Keith Milner Before the Georgia Public Service Commission, Docket No. 11641-U (filed May 10, 2000)).

BELLSOUTH RESPONSE: (continued...)

- There is no such thing as a “first pair” or “second pair” of inside wire. Again, AT&T misuses the term “inside wire” to mislead the Commission.
- BellSouth will allow CLECs to access any pair of Network Terminating Wire as long as that pair is not being used by BellSouth to concurrently provide service to an end user. See Exhibit D (*Petition by MediaOne Florida Telecommunications, Inc. for arbitration of an interconnection agreement with BellSouth Telecommunications, Inc. pursuant to Section 252(b) of the Telecommunications Act of 1996*, Docket No. 990149-TP, Order No. PSC-99-2009-FOF-TP, at 18 (issued Oct. 14, 1999) (“*MediaOne Florida Order*”)).

BELLSOUTH RESPONSE: (continued...)

Unbundled Network Elements (“UNEs”)

- BellSouth has unbundled its loop all the way to the end user's network interface device and offers these piece parts of the loop as unbundled network elements (“UNEs”) in compliance with the Commission's *UNE Remand Order*. See Exhibit C.

AT&T ALLEGATION:

- ILECs seek to levy charges that have no apparent TELRIC justification. (AT&T *Ex Parte* at 1)

BELLSOUTH RESPONSE:

- AT&T fails to provide concrete examples of unjustified pricing. Parties should be allowed to negotiate the rates, terms, and conditions of access. BellSouth's pricing of its subloop UNEs is TELRIC-based.

AT&T ALLEGATION:

- **ILECs propose Single Point of Interconnection (SPOI) arrangements that impose significant operational difficulties and unnecessary cost upon CLECs:**
 - **installation of duplicative and unnecessary “feeder” cross-connect panel;**
 - **unnecessary use of and payment for ILEC technicians;**
 - **ILEC continued control of the first pair of wire to each customer.**
- (AT&T *Ex Parte* at 1)**

BELLSOUTH RESPONSE:

- AT&T's claims regarding SPOI arrangement difficulties fail to "name names."
- In BellSouth's region, both the Florida and Georgia commissions have determined that the use of an access terminal between BellSouth's network and a CLEC's network is a reasonable method of providing access to the sub-loop element Network Terminating Wire. *MediaOne Florida Order* at 11-17 (Exhibit D); *MediaOne Telecommunications of Georgia, LLC v. BellSouth Telecommunications, Inc.*, Docket No. 10135-U, Order, at 4-5 (issued Dec. 21, 1999) (Exhibit E).
- BellSouth has testified before state commissions in its region that direct access to existing Intrabuilding Network Cable terminals by CLECs will result in service disruption and the degradation of BellSouth's mechanized cable inventory systems. This is proven by

BELLSOUTH RESPONSE: (continued...)

repeated cases of illegal attachment to BellSouth's facilities by some CLECs. A number of these instances have resulted in delayed BellSouth service provisioning for some customers and service disruption for other customers.

- It is BellSouth's policy to use its own technicians to establish SPOIs or access terminals (for unbundled Network Terminating Wire and Intrabuilding Network Cable) in order to maintain network reliability, integrity, and security. This approach allows BellSouth to minimize service disruptions to its own customers and the customers of its competitors. The Florida Public Service Commission ("FPSC") deemed this to be a reasonable policy when it rejected a CLEC's request to access BellSouth's network by using CLEC technicians only. Specifically, the FPSC concluded that "network reliability, integrity, and security could be impaired by giving competitors open access to BellSouth's terminals and wiring." *MediaOne Florida Order* at 16 (Exhibit D). The FPSC found that it was appropriate to have a BellSouth technician present during initial installation and follow-up provisioning. *Id.* at 16-17.

BELLSOUTH RESPONSE: (continued...)

- The Commission must, for the sake of end users, ensure that owners of in-building facilities, whether ILECs or CLECs, retain the ability to protect their networks when competing carriers access their facilities. Failure to do so will result in chaotic service provisioning by all carriers, which may include delayed service provisioning and unnecessary service disruptions.

AT&T ALLEGATION:

**CERTAIN BUILDING OWNERS IMPEDE THEIR TENANTS' ABILITY
TO CHOOSE THEIR DESIRED SERVICE PROVIDERS**

....

- **Exclusive Access issues often arise when building owners:**
 - **Enter into revenue sharing agreements with ILECs**

(AT&T *Ex Parte* at 2)

BELL SOUTH RESPONSE:

- BellSouth believes that the Commission should prohibit “facilities exclusivity” and “service exclusivity.” BellSouth is not opposed to “preferred provider” marketing arrangements by any carrier as long as the preferred provider offers access to facilities at reasonable rates, terms, and conditions so that other carriers can serve their own customers.

AT&T ALLEGATION:

RECOMMENDED COMMISSION ACTION

- **The Commission should define the “demarcation point” as:**
 - **The Minimum Point of Entry (MPoE) where the building owner asserts ownership/control of the inside wire or a network interface device located generally no more than 12 inches outside of an individual subscriber’s unit in all other cases.**

(AT&T Ex Parte at 3)

BELLSOUTH RESPONSE:

- The Commission should retain the current demarcation point rules, including the existing definition of “demarcation point.”
- Property owners are on record as supporting the current demarcation rules because they provide the necessary flexibility desired by owners. See Joint Comments of Building Owners and Managers International, WT Docket No. 99-217 (filed Aug. 27, 1999). In fact, property owners in BellSouth’s territory have rarely insisted upon MPoE demarcation and generally do not wish to assume the responsibility for maintaining intrabuilding facilities. However, if the property owner requests that the demarcation point be placed at the MPoE, BellSouth will comply with such a request in accordance with the Commission’s rules.

BELLSOUTH RESPONSE: (continued...)

- The Commission should reject AT&T's proposed definition of "demarcation point" for the following reasons:
 - Under the existing rules, except in cases where the property owner has requested that the demarcation point be located at the MPoE, the demarcation point is on the inside of a subscriber's unit in a multi-tenant environment. AT&T's proposed definition calls for locating the demarcation point "outside" of a subscriber's unit. AT&T, however, presents no rationale as to why such a change would be beneficial. Generally, end users do not want the Network Interface Device ("NID")/demarcation point to be located outside of their leased space.
 - AT&T's proposal to locate the network interface device 12 inches "outside" of a subscriber's unit makes little sense in any arrangement other than single family or small, single-tenant businesses (e.g., gas station) because it is generally only in these arrangements that end users will tolerate a demarcation point

BELLSOUTH RESPONSE: (continued...)

located outside, rather than inside, their premises. And, even then, there are still instances when such single family and small, single-tenant business customers demand that the NID/demarcation point be located inside their premises.

- Especially in multi-tenant environments, subscribers want their NID to be located "inside" of their premises because they are generally unfamiliar with serving arrangements or facilities beyond those inside their individual premises. Further, it has been BellSouth's experience that its customers prefer to deal with a single service provider for problems on the network side of the demarcation point rather than deal with multiple service providers and property owners or their agents for both service provisioning and maintenance/repair activities.

AT&T ALLEGATION:

- **Commission should clarify that nondiscriminatory access required under Section 224 of the Act applies to utility-owned or controlled ducts, conduits, and rights-of-way. More specifically, the CLECs must have the rights to use in-building/intra-premise ducts, conduits or rights-of-way employed by the ILEC:**
 - **whether the facilities are owned or merely controlled by the ILEC;**
 - **regardless of whether the ILEC currently uses the facilities.**

(AT&T *Ex Parte* at 3)

BELLSOUTH RESPONSE:

- BellSouth neither owns nor controls in-building ducts and conduits. The building owner constructs and provides access to these structures. Furthermore, BellSouth has a clear, documented policy that it will share in-building structures with any other provider whenever technically feasible. Sharing of equipment space and riser sleeves is commonplace.